NATIONAL ENDOWMENT FOR DEMOCRACY

Proposed Appropriation Language

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For grants made by the Department of State to the National Endowment for Democracy [,] as authorized by the National Endowment for Democracy Act, [$115,000,000] *$100,000,000*, to remain available until expended [, of which $100,000,000 shall be allocated in the traditional and customary manner among the core institutes and $15,000,000 shall be for democracy, human rights, and rule of law programs, of which $250,000 shall be for programs and activities in Tibet]: *Provided*, That the President of the National Endowment for Democracy shall provide to the Committees on Appropriations not later than 45 days after the date of enactment of this Act a report on the proposed uses of funds under this heading on a regional and country basis: *Provided further*, That funds made available by this Act for the promotion of democracy may be made available for the National Endowment for Democracy notwithstanding any other provision of law or regulation. *(Department of State, Foreign Operations and Related Programs Appropriations Act, 2009.)*

NATIONAL ENDOWMENT FOR DEMOCRACY

Resource Summary

($ in thousands)

Appropriations	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Funds	0	115,000	100,000	(15,000)

In FY 2008, funding of $99,190,000 was provided for the National Endowment for Democracy in the Democracy Fund

Overview

The National Endowment for Democracy (NED) is a non-profit organization, created in 1983 to strengthen democratic institutions around the world. Through its worldwide grants program, NED assists those abroad who are working to build democratic institutions and spread democratic values. The four institutes embedded in the core of NED's work – the American Center for International Labor Solidarity (ACILS), the Center for International Private Enterprise (CIPE), the International Republican Institute (IRI), and the National Democratic Institute (NDI) – represent public American institutions that work abroad in sectors that are critical to the development of democracy. In addition, NED support helps develop and fund key initiatives of nongovernmental organizations (NGOs) that foster independent media, human rights, and other essential democratic institutions, values and processes.

NED does not administer programs directly, but rather provides funding for numerous private groups and organizations. A bi-partisan Board of Directors makes funding decisions based on established criteria. NED functions with 137 staff members, who are responsible for program development and evaluation, grant management, financial oversight, research and outreach. Currently, NED operates under a provisional Negotiated Indirect Cost Recovery Agreement (NICRA) of 13 percent.

The Endowment's grants program, which funds programs in nearly 100 countries, is bolstered by the International Forum for Democratic Studies, a democracy research center that publishes the Journal of Democracy and administers the Reagan-Fascell Fellows Program, the World Movement for Democracy, a global hub for democracy networking and solidarity, and the Center for International Media Assistance, which strengthens media assistance abroad.

Program Description

NED's program areas are:

Freedom of Information
Political Processes
Democratic Ideas and Values
Human Rights
Rule of Law
Civic Education
Strengthening Political Institutions
Accountability
NGO Strengthening
Freedom of Association
Developing Market Economy
Conflict Resolution

NED's program is guided by a strategy document which is revised every three to five years. The Endowment's current strategy document prioritizes five conceptual and operational categories incorporating the enormous regional, cultural and political diversity of the nearly 100 countries where NED is working: opening political space in authoritarian countries; aiding democrats and democratic processes in semi-authoritarian countries; helping new democracies succeed; building democracy after conflict; aiding democracy in the Muslim world.

NED also conducts extensive monitoring and evaluation, which ensures that the Endowment's project objectives are being met, NED grant regulations are being followed, and the support is helping to build the institutional capacity of grantees.

Justification of Request

The $100 million funding request for FY 2010 is a $20 million increase from the FY 2009 requested level and is consistent with NED's FY 2008 actual funding level. The request is a $15 million decrease from the FY 2009 enacted level. The FY 2010 funding request will allow NED to continue the strong grants program in priority countries, with a few increases. The priorities in FY 2010 are expected to be in Asia, including China, Pakistan, and Burma; Eurasia, including Russia, Ukraine, and Belarus; Latin America, including Cuba and the Andean Region; Africa, including the Democratic Republic of the Congo, Sudan, and Nigeria; and the Middle East.

The Endowment will again concentrate resources in one or two critical countries in each sub-region of Asia, while also expanding its programming in a handful of countries where democracy is losing ground.
In East Asia, the NED will continue to focus primarily on grants for China, including Tibet and Hong Kong, and North Korea. In Southeast Asia, the NED will continue to maintain a large Burma program but will also increase support for democracy in Thailand and the Philippines, where democratic institutions have been severely weakened. In South Asia, the NED will continue to prioritize programming in Pakistan, where the turmoil that grips the country is not only a regional concern but a global one. NED will also look to expand its efforts in Nepal and Sri Lanka.

In Russia, Georgia, Belarus, Ukraine, and Central Asia, NED will continue to support independent organizations that are the foundation of civil society, including pro-democratic political parties, trade unions, NGOs, think tanks, business associations and media, which are working to promote peaceful, democratic change. In Europe, NED will concentrate its activities in Serbia, Kosovo, and Bosnia and Herzegovina, and will remain active in Albania and Macedonia. NED has been a leader in assisting democracy-building groups from more advanced countries to share their experiences, skills and program models with their counterparts in less developed states, and will expand its cross border programs from Central Europe to the Balkans, as well as regional programs within the Balkans and Eastern Europe.

In Latin America, NED priorities include Cuba, the Andean Region, Mexico and Central America. In Cuba, NED supported programs will focus on providing assistance to organizations in order to foster independent thinking and institutions, as well as programs aimed at breaking the information blockade. In the Andean Region, NED will continue to work with organizations to bridge the political and regional divides, and promote democratic practices and principles at the local, regional and national level. In Mexico and Central America, NED will focus on encouraging citizen participation at the local and state levels, and promoting the rights and political inclusion of traditionally marginalized sectors.

NATIONAL ENDOWMENT FOR DEMOCRACY

The NED Africa program will emphasize the most urgent needs in Africa, the windows of opportunity that may exist, and the particular contribution the NED and its family of core partners, NDI, IRI, CIPE and ACILS, can bring to bear for promoting democracy in Africa. NED will continue substantial program activity in the priority countries of Democratic Republic of Congo, Sudan, and Nigeria, with a major focus on Somalia, Ethiopia, Zimbabwe, Nigeria, Cote d'Ivoire, and Liberia. Funding will continue at a more modest level in Guinea, Chad, Kenya, Uganda, Somaliland, and Sierra Leone.

In the Middle East and North Africa region, there is demand to expand NED support in many critical sectors, such as advancing civic participation, advocating public accountability at the local level, and consolidating the role and functions of parliamentarians. In authoritarian countries where there is no open political space, such as Iran, Libya, Syria, Tunisia, Bahrain and Saudi Arabia, NED will increase the exposure of local activists in these countries to others in the region, help improve their communication and information tools, and strengthen their institutional capacity. In countries where there has been sustainable space for limited democratic progress, such as Jordan, Morocco, Yemen, Turkey and Egypt, NED will step up its support to groups advocating human rights, electoral reform, and civil society oversight at the provincial and national levels. In war-torn countries such as Iraq, Afghanistan, Algeria, Lebanon, and Palestine, NED will remain highly committed and supportive to civil society groups to survive and grow. In particular, NED will support their efforts to set national agendas, forge nationwide alliances, mediate in conflict resolution and disseminate civic and democratic values.

The NED multiregional and global program will connect together democrats from different areas of the world to address common issues and challenges in democratic development. Focus will be directed toward building the capacity and knowledge base of local groups to advocate for human rights, empower marginalized communities, support worker rights, promote economic reform, strengthen political institutions, and foster independent media.

Funds by Program Activity

($ in thousands)

	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
Administration	**0**	**13,230**	**11,504**	**(1,726)**
Africa	**0**	**18,605**	**15,655**	**(2,950)**
Asia	**0**	**22,530**	**16,547**	**(5,983)**
Central & Eastern Europe	**0**	**5,111**	**5,486**	**375**
Democratic Activities	**0**	**4,147**	**2,250**	**(1,897)**
Eurasia	**0**	**11,320**	**11,511**	**191**
Latin America/Caribbean	**0**	**14,262**	**14,976**	**714**
Middle East/North Africa	**0**	**17,821**	**15,420**	**(2,401)**
Multiregional	**0**	**7,974**	**6,651**	**(1,323)**
Total	**0**	**115,000**	**100,000**	**(15,000)**

NATIONAL ENDOWMENT FOR DEMOCRACY

Funds by Object Class

($ in thousands)

	FY 2008 Actual	FY 2009 Estimate	FY 2010 Request	Increase / Decrease
4100 Grants, Subsidies & Contrb	**0**	**115,000**	**100,000**	**(15,000)**
Total	**0**	**115,000**	**100,000**	**(15,000)**